

CENTRAL LAKE ONTARIO CONSERVATION FUND

AGENDA

Tuesday, June 17, 2025

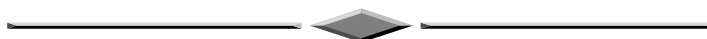
HYBRID MEETING LOCATION: VIRTUAL THROUGH TEAMS (ACCESS DETAILS TO BE PROVIDED)
OR 100 WHITING AVENUE, OSHAWA, AUTHORITY'S ADMINISTRATIVE OFFICE, BOARDROOM

CIRCULATION LIST

Authority Bob Chapman, Chair
Members: Rhonda Mulcahy, Vice Chair
Marilyn Crawford
Sami Elhajjeh
Ron Hooper
Rick Kerr
Tito-Dante Marimpietri
Ian McDougall
John Neal
David Pickles
Elizabeth Roy
Maleeha Shahid
Corinna Traill
Steve Yamada

Authority C. Darling, Chief Administrative Officer
Staff: B. Boardman, Senior Executive/Accounting Administrator
R. Catulli, Director, Corporate Services
J. Davidson, Director, Watershed Planning & Natural Heritage
C. Gregory, Coordinator, Conservation Education
L. Hastings, Communications Specialist
D. Hipple, Director, Engineering
D. Hope, Director, Land Operations & Education
C. Jones, Director, Planning & Regulation
L. Vaja, Executive Assistant/Health & Safety Administrator/ Recording Secretary
R. Wilmot, Information Management & Technology Manager

Others:



AGENDA ITEM:

SUPPORTING DOCUMENTS

1. **DECLARATIONS of interest by members on any matters herein contained**
2. **ADOPTION OF MINUTES** of January 21, 2025 pg. F1
3. **AUDITED FINANCIAL STATEMENTS**
(1) Staff Report #F002-25 pg. F3
Re: DRAFT 2024 Financial Statements, Central Lake Ontario Conservation Fund
4. **OTHER BUSINESS**
5. **ADJOURNMENT**

CENTRAL LAKE ONTARIO CONSERVATION FUND

MINUTES NO. 1

Tuesday, January 21, 2025

HYBRID MEETING LOCATION: VIRTUAL THROUGH TEAMS (ACCESS DETAILS PROVIDED)
OR 100 WHITING AVENUE, OSHAWA, AUTHORITY'S ADMINISTRATIVE OFFICE, BOARDROOM

Members Present: Bob Chapman – Chair
Rhonda Mulcahy – Vice Chair
Marilyn Crawford
Sami Elhajjeh
Ron Hooper
Rick Kerr
Tito-Dante Marimpietri
John Neal
David Pickles
Elizabeth Roy
Maleeha Shahid
Corinna Traill
Steve Yamada

Absent: Bruce Garrod
Ian McDougall

Staff Present: C. Darling, Chief Administrative Officer
B. Boardman, Executive/Accounting Administrator
R. Catulli, Director, Corporate Services
J. Davidson, Director, Watershed Planning & Natural Heritage
L. Hastings, Communications Specialist
D. Hipple, Director, Engineering
D. Hope, Director, Land Operations & Education
C. Jones, Director, Planning & Regulation
L. Vaja, Executive Assistant/Health & Safety Administrator/ Recording Secretary
R. Wilmot, Information Management & Technology Manager

Others: K. Jull, Gardiner Roberts LLP
S. Provenzano, Guest
A. Delle Cese, BDO Canada LLP

The Chair called the meeting to order at 5:20 p.m.

DECLARATIONS of interest by members on any matters herein contained - *None*

ADOPTION OF MINUTES of September 17, 2024 (Agenda pg. F1)

Res. #F1 Moved by E. Roy
Seconded by J. Neal

THAT the Central Lake Ontario Conservation Fund minutes of September 17, 2024 be adopted as circulated.
CARRIED

AUDITED FINANCIAL STATEMENTS

(1) Staff Report #F001-25 (Agenda pg. F3)
Re: BDO Canada Audit of Financial Statements for the Year Ended December 31, 2024

Res. #F2 Moved by R. Mulcahy
Seconded by S. Elhajjeh

THAT Adam Delle Cese, BDO Canada LLP be advised that the Board of Directors is not aware of any matters related to increased risk, fraud, or errors on behalf of management processes.
CARRIED

Cont'd

REPORT

CENTRAL LAKE ONTARIO CONSERVATION FUND

DATE: June 17, 2025

FILE: ACFE28

S.R.: F002-25

APPROVED BY C.A.O.



TO: Chair and Members, CLOCA Board of Directors

FROM: Rose Catulli, Director of Corporate Services

SUBJECT: DRAFT 2024 Financial Statements, Central Lake Ontario Conservation Fund

Attached are the 2024 Audited Financial Statements and the auditor's letter to the Board of Directors and Management.

The Fund revenues consisted of \$98,000 (2023 - \$69,000) in deferred contributions relating to the Roger's fund, and interest earned \$2,750 (2023 - \$2,539). Distributions amounted to \$100,747 (2023 - \$81,842), which represents audit fees (\$2,722), a bank charge (\$25), and an averaging 3.5% Distribution Quota (\$98,000) for the Roger's endowment resulting in a net operating excess of \$3 (2023 - (\$10,303)).

RECOMMENDATION:

THAT the auditor's letter to the Board be received;

THAT the Audited Financial Statements for the year ended December 31, 2024, be approved as presented;

THAT a copy of the Audited Financial Statement be posted on CLOCA's website and a copy be sent to the Ministry of Environment, Conservation and Parks; and,

THAT BDO Canada be appointed as CLOCA Auditors for the year ending December 31, 2025.

Attach.

RC/lv
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**Central Lake Ontario
Conservation Fund
Financial Statements**
For the year ended December 31, 2024

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Independent Auditor's Report

To the Members of Central Lake Ontario Conservation Fund

Opinion

We have audited the financial statements of Central Lake Ontario Conservation Fund (the Fund), which comprise the statement of financial position as at December 31, 2024, and the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

Barrie, Ontario
TBD

Central Lake Ontario Conservation Fund Statement of Financial Position

December 31	2024	2023
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Assets

Current

Cash and short-term Investments (Note 2)	\$ 2,404,240	\$ 1,795,375
Accounts receivable	87	201
	\$ 2,404,327	\$ 1,795,576

Liabilities and Net Assets

Current

Accounts payable and accrued liabilities	\$ 15,564	\$ 18,471
Deferred contributions (Note 3)	882,200	270,546
Deferred revenue (Note 4)	23,301	23,301
	921,065	312,318

Net assets restricted for endowment purposes (Note 3)	1,500,000	1,500,000
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Unrestricted net assets	(16,738)	(16,742)
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	1,483,262	1,483,258
	\$ 2,404,327	\$ 1,795,576

On behalf of the Board:

_____ Director

_____ Director

**Central Lake Ontario Conservation Fund
Statement of Changes in Net Assets**

For the year ended December 31	Restricted for Endowment Purposes	Unrestricted	2024 Total	2023 Total
Balance, beginning of the year	\$ 1,500,000	\$ (16,741)	\$ 1,483,259	\$ 1,493,562
Excess (deficiency) of revenues over expenses	-	3	3	(10,303)
Balance, end of the year	\$ 1,500,000	\$ (16,738)	\$ 1,483,262	\$ 1,483,259

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Central Lake Ontario Conservation Fund Statement of Operations

For the year ended December 31	2024	2023
Revenue		
Deferred contributions recognized	\$ 98,000	\$ 69,000
Interest	2,750	2,539
	<u>100,750</u>	<u>71,539</u>
Expenses		
Donations	98,000	69,000
Professional fees	2,747	12,842
	<u>100,747</u>	<u>81,842</u>
Excess (deficiency) of revenue over expenses	<u>3</u>	<u>(10,303)</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Central Lake Ontario Conservation Fund

Statement of Cash Flows

For the year ended December 31	2024	2023
Cash provided by (used in)		
Operating Activities		
Excess (deficiency) of revenue over expenses	\$ 3	\$ (10,303)
Changes in non-cash working capital balances		
Accounts receivable	114	(30)
Accounts payable and accrued liabilities	(2,907)	12,842
Deferred contributions	611,654	(111,508)
	608,864	(108,999)
Investing Activities		
Increase (decrease) in short-term investments	(60,620)	175,915
Net increase in cash	548,244	66,916
Cash, beginning of the year	340,602	273,686
Cash, end of the year	\$ 888,846	\$ 340,602
Represented by:		
Cash - unrestricted	\$ 54,446	\$ 57,235
Cash - restricted	834,400	283,367
	\$ 888,846	\$ 340,602

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Central Lake Ontario Conservation Fund

Notes to Financial Statements

December 31, 2024

1. Significant Accounting Policies

Nature of Business

The Central Lake Ontario Conservation Fund was established on May 6, 1997 under letters patent as a corporation without share capital. The corporation's registered charitable number is 87804 9360 RR0001.

The purpose of the Fund is to generate revenue, through fundraising and donations, which will be used exclusively by the Central Lake Ontario Conservation Authority, for the purposes of preserving, protecting, restoring and improving the natural resources and environment of the Central Lake Ontario watersheds. The Authority exercises control over the Central Lake Ontario Conservation Fund by virtue of its common board members.

Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

Revenue Recognition

Revenues and expenses are recorded on the accrual basis of accounting. The Fund follows the deferral method of accounting for contributions. Endowment contributions are recognized as direct increases in net assets in the current period. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured..

In Kind Donations

Receipts are provided for in kind donations as per guidelines established by Canada Revenue Agency. In kind donations are supported by appraisals when required for land and personal property.

Cash and Cash Equivalents

Cash and cash equivalents consist of bank balances and short-term deposits with maturities of three months or less from the date of acquisition.

Contributions Receivable

Contributions receivable are recognized as an asset when the amounts to be received can be reasonably estimated and ultimate collection is reasonably assured.

Central Lake Ontario Conservation Fund

Notes to Financial Statements

December 31, 2024

1. Summary of Significant Accounting Policies (continued)

Financial Instruments (continued)

Financial instruments are recorded at fair value at initial recognition.

In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change reported in income. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.

Central Lake Ontario Conservation Fund Notes to Financial Statements

December 31, 2024

2. Cash and Short-term investments

	2024	2023
Cash - unrestricted	\$ 54,446	\$ 57,235
Cash - restricted	834,400	283,367
Preferred Shares - restricted	1,515,394	1,454,773
	<u>\$ 2,404,240</u>	<u>\$ 1,795,375</u>

Preferred shares are quoted at market value.

3. Deferred Contributions

Changes in the deferred contribution balance are as follows:

	2024	2023
Balance, beginning of year	\$ 270,546	\$ 382,054
Restricted investment income (loss)	709,654	(42,508)
Amount recognized in the year	(98,000)	(69,000)
Balance, end of year	<u>\$ 882,200</u>	<u>\$ 270,546</u>

In 2014, the Fund received a \$2,000,000 contribution that is subject to externally imposed restrictions. \$1,500,000 of the balance must be maintained permanently and is restricted for endowment purposes. The remaining balance and the investment income earned from the total contribution is restricted to cover the costs of managing and administering a property owned by Central Lake Ontario Conservation Authority, an organization which exercises control over the Fund by virtue of its common board members.

4. Deferred Revenue

At the year end, the Fund had received but not earned revenue in the amount of \$23,301 (2023 - \$23,301) from projects. Revenue will be brought into income as project expenditures are incurred.

5. Related Party Transactions

The Central Lake Ontario Conservation Authority exercises control over the Fund by virtue of its common board members. The Fund was established to raise funds and obtain resources for the exclusive use of the Authority. During the year, the Fund contributed \$98,000 (2023 - \$69,000) towards projects in the Authority and the Authority paid \$2,722 (2023 - \$12,842) in professional fees on the Fund's behalf.

Central Lake Ontario Conservation Fund Notes to Financial Statements

December 31, 2024

6. Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

All of the Fund's cash and short-term investments are held at one of the major financial institutions and one investment company.

There have not been any changes in the risk from the prior year.

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Fund is exposed to other price risk through its investments in preferred shares.

There have not been any changes in the risk from the prior year.
